

Town of Rockport

Minutes of Finance Committee Meeting March 9, 2016

The committee convened at 7:00 pm in the Police Station and adjourned at 9:10 pm. Chairman Laurene Wessel presided; Ian Crown, Beth Dailey, Wally Hess, Mike Hughes, June Michaels, Roger Levine and Melissa Tingley attended. Guests included Town Administrator Linda Sanders, DPW Directors Bruce Reed and Jim Gardner, DPW Director Joe Parisi, Assistant Director Tim Olson. Planning Board Chair Herman Lilia, School Superintendent Rob Liebow, Toby Arsenian.

Minutes

June Michaels moved, Wally Hess seconded, and the committee approved the minutes of March 2nd.

DPW Garage Facility

The Commissioners and DPW Director distributed a comparison of the cost/sq. ft. of the proposed garage facility with similar facilities recently built by Weston & Samson. There are \$2.6 million in vehicles and equipment stored in the garage. The plan has been scaled back to allow some equipment to be stored under a shed roof but not indoors.

The DPW hopes to choose a designer this summer, after funds are authorized in May, go out to bid in the winter of 2016-17 and begin construction in March 2017. Voting the design and permitting funds now and waiting to vote the construction costs would delay the project by nearly a year.

The DPW has had at least one article in the GDT and is holding public open houses at the garage to show the public the need for a new facility.

The Town Treasurer has calculated the debt service for a 30-year bond at 4.5% would total \$14,977,225 of which \$6,147,225 is interest. In the first full year (FY2019) there would be \$295,000 in principal and \$384,073 in interest, costing an additional \$190 in taxes on a \$500,000 home. June agreed to check when current exempt debt expires (below).

	<u>Existing Exempt</u>	<u>Garage</u>	<u>Total Exempt Debt</u>
2017	691,970	198,675	890,645
2018	650,257	685,713	1,335,970
2019	518,532	672,438	1,190,970
2020	411,503	659,163	1,070,666
2021	394,551	645,888	1,040,439

A 20-year bond at 4.5% would cost a total of \$13,129,975 of which \$4,299,975 would be interest. The first year cost would be (roughly) \$847,350.

Planning Board

Herm Lilia asked for a 10% increase to the Professional Planner's wages, currently \$45/hour. Since

he is a contract employee, he had not been included in the 2% raises for non-union employees. An increase of \$4.85/hour times 600 hours would be \$2,910.

Resolution on Foundation Budget

Michael Hughes moved, Wally Hess seconded and the committee voted to support the resolution asking the Massachusetts Legislature and the Governor to fully fund and adopt the recommendations of the Foundation Budget Review Commission, to revise the method by which Chapter 70 and other state aid for education are distributed to municipalities and school districts.

FY2017 Letter to the Voters

The committee discussed the final draft of the letter. The goal is to assist voters, especially first-time attendees at Town Meeting to understand the Town's budget issues. Pie charts will be included in the version sent to all households. The committee discussed what language concerning overrides should be included. School Superintendent Liebow said that the need for periodic overrides is the reality, and the final version of the letter paves the way for future budget increases. The letter maintains the working relationship between the FinCom and the Schools. Wally Hess moved, Michael Hughes seconded, and the committee voted to approve the letter with minor changes.

Wally Hess updated the costs and schedule for sending the FinCom letter to the Voters to all 4100 households. Volunteer will be needed to put on labels.

Upcoming Meetings

March ____ put address labels on Letter to the Voters

March 18 – send Warrant book to the printer

April 2 – Annual Town Meeting